



**A DECENTRALIZATION
POLICY FOR THE REPUBLIC
OF NAMIBIA**

**DECENTRALIZATION,
DEVELOPMENT AND
DEMOCRACY**

**MINISTRY OF REGIONAL,
LOCAL GOVERNMENT
AND HOUSING**

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Acronyms

GDP	-	Gross Domestic Product
MRLGH	-	Ministry of Regional, Local Government and Housing
NDP	-	First National Development Plan
NGOS	-	Non Governmental Organizations
NPC	-	National Planning Commission
PTO	-	Permission To Occupy
RDCS	-	Regional Development Committees
SWAPO	-	South West Africa's People's Organization
WASCOM	-	Wage and Salary Commission

**ADDRESS BY HON. DR. NIYAMBO, MINISTER OF REGIONAL,
LOCAL GOVERNMENT AND HOUSING TO PARLIAMENT.**

Mr. Speaker, Honourable members,

It is with satisfaction and pleasure that I introduce the Decentralisation Policy for Namibia to this August House, for its consideration and adoption.

There are different reasons for decentralisation of central government functions. Depending on why the system wishes to decentralise, the choice of how it is done varies accordingly from country to country.

In Namibia we have two very important concerns, which have historically been denied to the majority of the people - democracy and development. While all our national endeavours are directed at achieving an ever higher state in these respects, there is none as crucial for the attainment of those noble objectives as decentralisation, which we committed ourselves to by constitutional provision.

The challenge of development and participative democracy in Namibia is such that while at the same time we wish to extend democracy to the people as their right, we also wish to ensure rapid economic, cultural and social development, which objectives are, in conventional development models, not always compatible. Decentralisation therefore provides an opportunity for people to have access to relevant participative decision making, extending democracy to people as a right based on national ideas and values.

The only guarantor for democracy is people making their own political, cultural, social and developmental decisions at their own level and the only safeguard of sustainable development is when people participate in setting their own priorities, planning, implementing, monitoring them and evaluating these themselves within the overall national interests.

Such democratic participation leads to ownership, and therefore sustainability of those development initiatives which result from such participative decision making. Any consequent risks are compensated for by the commitment, ownership and increased capacity resulting from participation, making democratic development cheaper in the long run.

We need to develop that level of political and economic self-reliance among all Namibians, in order to guarantee our national independence, development and equity.

Chapter 12 of the Constitution of the Republic of Namibia provides for, and requires Parliament to pass laws to implement decentralisation. This provision in the Constitution should be seen, therefore, in light of the foregoing, not as requiring mere decentralisation, but demanding the type of decentralisation which constitutes the extension of democracy and participation for development to the furthest corner of our country and to the humblest of our citizens.

The policy review process which Government has undertaken was therefore occasioned by the fact that, the constitutional provision notwithstanding, decentralisation has not significantly advanced, and there is justifiable pressure from all key stakeholders to make it happen, over and above the need to ensure that democratisation proceeds faster, as should sustainable development.

As stated above, Decentralisation in Namibia is a constitutional requirement, which should give certain powers and responsibilities to regions. Art. 108 (c) of the constitution states that it should be regional councils responsibilities "to raise revenue or share in the revenue raised by Central Government within the regions for which they have been established as indicated by an act of Parliament".

In my view, regional councils can raise and collect taxes and other payments e.g.

- livestock levy
- user charges
- grazing fees
- property tax
- commercial farmers and other land users tax
- Royalties from natural resources and Permission to Occupy (PTO's)
- Forest product levies
- Compounded animals levy
- Turnover tax on business
- Toll gate fees
- Payroll tax
- Abattoir fees
- Dog tax
- Community water management fees
- Informal trade licence fees and tax collection
- etc.

At the same time, they could also share in the revenue collected by Central Government, by using a formula. In fact, regions already share in salaries paid to civil servants, be they teachers, nurses or administrators in the regions. Equally, the same can be said for the development budget. What needs to be done now, is to always compile budgetary figures, both development and recurrent, for every region as provided for by various ministries, so that regions obtain a clearer picture of what the actual budget allocation is for them by Central Government.

That is the context in which the Government of the Public of Namibia developed the policy before the House for the careful consideration of Honourable Members. In keeping with the democratic tradition of this Government and its belief in the participative process, extensive and intensive consultation was carried out with most of those concerned -regional councils, local authorities, political parties, Non Governmental Organizations (NGO's) and sector ministries. Those consultations were carried out by my ministry, culminating in two seminars, one for permanent secretaries and the other for ministers. The understanding and clarity gained through these consultative process will be very useful in the implementation stage of the policy.

The policy builds on the progress already made by this August House in implementing the constitutional requirements for decentralisation. Since the promulgation of the constitution, key legislations namely, the Regional Councils Act, 1992, the Local Authorities Act, 1992, the Traditional Authorities Act, 1995, and the Council for Traditional Leaders Act of 1997 have been passed, creating the scene for decentralisation programmes to be implemented.

In implementation of the legislation, the Regional Councils have been set up, local authorities redefined and strengthened with some new ones still being created.

The Decentralisation Policy now before the House has certain key characteristics which could be summarised as follows:

- decentralisation in Namibia, while it may go through various other interim stages, ultimately aims to devolve agreed responsibilities, functions, and resource capacity to regional and local levels of government, within the framework of our unitary state.
- it has of necessity, and as part of a strategy, to be phased in gradually and systematically
- there will be heed for institutional and organisational change, as well as legislative and other rationalisation
- for it to be developmental, decentralisation will have to be cost effective

Allow me, Mr. Speaker to give a brief overview of the policy.

Key elements of the policy

- In Namibia the state will ultimately devolve responsibility, authority and resources and/or resource base, in accordance with the criteria related to functions to be decentralised, the timing and pace of such decentralisation.
- The pace and content of devolution shall be determined by considerations of democracy and participative governance being speeded up, while taking into account political and technical feasibility, system and individual capacity, as well as the national macro-economic and fiscal environment, public sector and economic reform policies and activities in the country.
- Decentralisation is going to be phased in systematically. Some functions will be decentralised faster than others, and of those functions decentralised, not the entirety of the function need be decentralised all at the same time, and it is not necessary that there be simultaneous start in all regions and local authorities. This should go according to the party's state of readiness. However, decentralisation once started, should be continuous. Above all the whole process and implementation of participative democratic decentralisation will be carried out in a thoroughly coordinated manner.
- For effective implementation of decentralisation there will be institutional and organisational change at national, regional and local levels, as restructuring of responsibility for functions and changes of location emphasis from the centre,

as well as increased capacity at the regional and local levels will mean different institutional and organisational requirements.

- There will also be legislative and other rationalisation, to bring the law and other policies in line with the policy of decentralisation.
- Decentralisation will be cost effective because the assumption behind participative decentralisation, in cost-effectiveness terms, is that when people manage their own resources and there is a more direct relationship between revenue, expenditure and services, there will be less wastage and more responsibility, while cost recovery will be more feasible.
- Because the technical cadre for service delivery will be localised, services will be cheaper by at least that much, and because people can see and have influence on how their money is spent, it will be easier to collect revenue and to introduce new revenue sources
- The relationship between Regional Councils and Local Authorities will continue to be one of mutual autonomy within the requirements of the law. However, the key functional relationship will be that of collaboration and cooperation, with the regional council having coordinative and residual functional responsibilities of an agent in lieu of central government.
- For this policy to be effectively implemented, a level of individual, organisational, institutional and system wide capacity building has to be developed across the board. It is too much to expect that a system barely coping with the daily routine of running a country should also be able to, without any major reorganisation and retooling, run such a major change effort as decentralisation. Therefore time and resources will be invested in assessing what is needed to create capacity in the system - capacity to conceptualise, adopt, implement and monitor the decentralisation process. This effort will focus on:
 - = identifying the key players in the decentralisation effort
 - = delineating the roles of the key players and how these are to be played
 - = clearly examining their normal institutional missions, mandate, objectives etc. vis-a-vis how they would relate to the decentralisation process
 - = clearly mapping out the different interfaces and how these are to be managed
 - = assessment of the individual and collective capacity of all the key players and stakeholders to carry out their own function in the whole exercise, including the coordinative/collaborative function which is essential for the process to go forward smoothly

Functions to be decentralised are divided by timing of decentralisation -that is whether immediate, medium term or long term, by whether they, or which ones are to be decentralised to regional councils or local authorities, and where the latter are differentiated between Part 1 and 2 municipalities, towns, proclaimed villages and settlements.

However, all in all, the following functions are to be immediately decentralised, either to regions, or one type of local authority or another:

- = community development and early childhood development
- = administration of villages and settlement areas
- = rural water development and management
- = management and control of communal lands
- = primary health care
- = pre-primary education
- = forest development and management
- = physical and economic planning (including capital development projects)
- = emergency management
- = resettlement and rehabilitation
- = regional council personnel responsibility
- = vehicle testing and licensing
- = responsibility and accountability for electricity distribution
- = full responsibility for town planning schemes within the framework of approved master plans
- = business registration
- = housing provisions
- = electricity distribution
- = liquor licensing
- = full responsibility for environment and conservation
- = social services
- = youth, sports and recreational activities
- = collection of some form of taxes
- = non-personal health services
- = libraries
- = agency services to towns villages and settlements
- = traffic control
- = control of aerodromes etc

The rest of the functions are to be decentralised either in the intermediate term and in the long-term.

All governmental functions being implemented by line ministries at regional and local authority levels should eventually be decentralised either to Regional Councils or Local Authorities.

However, there will always be those functions which can never be decentralised in any unitary state. Some functions therefore will continue to be carried out by line ministries for the foreseeable future.

Such functions and any others not yet decentralised for any reason at all, will be coordinated at regional level through the Regional Development Committee, made up of all heads of sectoral ministries at regional level, and chaired by the Regional Officer, who will recommend development strategies, programmes and projects to the Regional Council, which will make final decisions on regional development plans. Those functions already decentralised to the regions or local authorities will be represented by the respective heads of those functions at the regional council.

You can see clearly that for this to be done successfully, line ministries should be organised such that their representative have specific regional responsibilities and that Regional Councils and/Or Local Authorities know what they are and which region(s)/local authority areas they are responsible for.

Successful implementation of this decentralisation policy calls for solid research and analysis, strategic planning, on-going consensus building, capacity building and resource mobilisation. Most important of all, it takes learning by doing.

Therefore although it should and will start immediately, it is a process which will take a long time, as we go through several learning curves. While we hope that all the key building blocks should be in place by the year 2000, the comprehensive implementation of all the elements of this far-reaching policy will certainly go on for many years to come.

Mr Speaker, Honourable members, the policy I have just summarised, which was adopted by Cabinet on November 16, 1996, constitutes a major reorganisation of our national governance system. It is therefore befitting that it be adopted by our highest law making body in the country, so that it takes its place as a timeless national document to be adhered to by all Namibians, regardless of political persuasion and party affiliation.

On behalf of Government, I commend to you this policy document for your consideration and speedy adoption, as the national policy on decentralisation for the Republic of Namibia.

Mr Speaker, Sir, I am done!

Thank you for listening.

1. INTRODUCTION

- 1.1 Democratic countries engage in decentralisation as a means to enhance and guarantee democratic participation by the majority of the people at grassroot level as well as achieve sustainable development. How far decentralisation goes depends on whether or not the state is federal or unitary. Within a unitary state it is the prerogative of the state to decentralise or not to decentralise and how far to decentralise, with due regard to the democratic imperative and developmental needs. Thus decentralisation in such system is a policy issued at national level, not given as in federal systems. It is one way in which the state can fulfill the values of democracy and/or achieve the objectives of development.
- 1.2 By national consensus enshrined in the constitution, Namibia is a unitary state and therefore decentralisation in Namibia is ultimately dependent on the decision of the State. While every state has its own approaches, in a democratic society, such as Namibia, the approaches most favoured are those which promote the participation of the people in affairs which affect them.
- 1.3 Thus while it is the ultimate responsibility of the state to develop and implement decentralisation policies of its choice, the imperative of democratic participation and the need to ensure sustainability require that as much as possible such decentralisation policies must be the product of extensive consultation and participation in decision-making by all those who are personally and institutionally affected by it.
- 1.4 To date there are three types of decentralisation possible within a unitary state namely Deconcentration, Delegation and Devolution. Which one is chosen depends on the scope, nature and purpose of decentralisation envisaged by the system.
 - i) **Deconcentration** is when central government decentralises its own staff to sub-national levels to carry out their regular functions closer to the people they serve or are supposed to interface with for whatever purpose. While this may achieve greater access and more interface to central government services, it does

not allow any participation by the population in any form of decision making.

- ii) **Delegation** is when central government allocates some of its functions to the sub-national levels to carry out, but not to take full responsibility for, and without abrogating its own public accountability for those functions, and without prejudice to its right to retract those functions. This usually happens through the executive rather than the legislature.
- iii) **Devolution** involves the central state, either by legislation or through constitutional requirements, giving full responsibility and public accountability for certain functions to the sub-national level.

Often these models are found together in various mixes, sometimes one as the first stage towards another, often starting with deconcentration onwards.

2. CONSTITUTIONAL BASIS OF DECENTRALISATION

- 2.1 Decentralisation, as the State's approach to guarantee democratic participation and achieve sustainable development, is so important in Namibia that it is provided for in Chapter 12 of the constitution, the supreme law of the country.
- 2.2 The same constitution in Article 1 also establishes Namibia as a democratic and unitary state whose main organs are the Executive, the Legislature and the Judiciary.
- 2.3 Decentralisation in Namibia therefore, while constitutionally provided for, has to be implemented in accordance with the requirements of national building within the framework of a unitary state, against the historical background of apartheid which balkanised the country into so-called homelands, and to meet the challenge to extend democratic institutions to as close to the people as possible and to stimulate participative and sustainable development of communities and the country as a whole.

3. LEGISLATIVE PROVISION FOR DECENTRALISATION

3.1 It is with that in mind that the Regional Councils Act and the Local Authorities Act were enacted to give effect to the constitutional provision. The two acts form the legislative basis of regional and local government system in Namibia and establishes the relationship between these sub-national levels as well as between them and the state, and their role vis-a-vis the citizenry.

3.2 It is, however clear that constitutional and legislative provisions, while necessary, are not sufficient conditions to get decentralisation going.

4. DECENTRALISATION IN NAMIBIA

4.1 From the constitutional commitment, the legislation, and from the discussions within government, and among local leadership, the preferred decentralisation model in Namibia is that of devolution of power to lower tiers within the context and the overall authority of a unitary state.

4.2 It is accepted that to get to this state could be a long-term process, and that given the historical background of colonial over-centralisation of power, the Bantustan policies, and the necessary consolidation of nationhood during the first years of independence, such a process might have to pass through the other two stages of decentralisation, i.e. deconcentration and delegation.

4.3 However, the two acts which are the instruments of implementation of the constitutional imperative of decentralisation already provide for the autonomy of both local authorities and regional councils, within the framework of the law and the confines of a unitary state.

5. EXPERIENCE SINCE INDEPENDENCE

5.1 Constitutional Development

5.1.1 One of the very first activities of the independent Namibia State was to make the constitution in which all cardinal features and fundamental principles regarding the organisation and governance of the whole Namibia people were entrenched. Decentralisation within a unitary state was entrenched as one such fundamental principle.

- 5.1.2 Progress since independence has been slow but solid. Predictably the removal of apartheid and racial discrimination took precedence over other policy changes. However, by 1992, Government was ready with legislative proposals, finally passed by Parliament, and both becoming law in August 1992 as the Regional Councils Act and Local Authorities Act respectively. These two acts repealed most of the (discriminatory) legislation and decrees from pre-independence days. The Traditional Authorities Act of 1995 which sets out the functions of traditional authorities and their relationship with other organs of the state was another attempt to rationalise the decentralisation process by ensuring that the roles of key players are clarified.
- 5.1.3 Thus both the constitutional and legal framework exist for decentralisation in Namibia. How much decentralisation is contemplated, what form it is envisaged to take and at what pace it should proceed, are not established in the constitution or the act of parliament, leaving it in the domain of the Executive policy process.

5.2 Policy Development

- 5.2.1 Meanwhile the Ministry of Regional Local Government and Housing (MRLGH) has provided leadership for the implementation process. It has ensured that whatever powers Parliament has devolved to the sub-national levels, is implemented and consolidated. For example, with the passing of the two acts and the abolition of the Peri-Urban Development Board, decision - making was transferred to elected councils - a major step in democratisation and decentralisation. The increased role of local and regional government is in part reflected by the rising development and recurrent budget of the MRLGH both of which, according to the National Development Programme (NDP1), virtually doubled between 1989/1990 and 1994/1995.

The Ministry has, however concentrated on the interpretation of the policy and the creation of the new institutions required by the statutes and the constitution, rather than the active enforcement or facilitation of the implementation of the policy across the board.

5.2.2 The National Planning Commission (NPC) has also played a significant part in the implementation of the decentralisation thrust, notably through their assistance with the regional planning process, and their insistence on the role of regional councils in the endorsement of sectoral development proposals emanating from respective regions. NPC has also clarified further, via the NDP1, the planning role of regions and the role of the NPC, MRLGH, and sector ministries in that process, and has set the target of the plan period, as the time in which the institutional and resource decisions for the regional planning functions ought to be made and implemented. As the NDP1 states, "In the longer term, improving the regional distribution of resources will necessitate the progressive decentralisation of central government by transferring human and financial resources and devolving planning, budget formulation and spending powers."

5.2.3 Sectoral ministries are aware of the constitutional and legal position. However, they recognise and accept that they have not done much about decentralisation. Those who have done something about it, confined it largely to deconcentrating the central government departments, rather than devolving power to sub-national levels.

5.2.4 It is clear from the sectoral papers that the reason decentralisation has not taken place is not lack of will. For example in his foreword to the Ministry of Health and Social Services policy paper as long ago as 1992, His Excellency, President Sam Nujoma pointed to the need for "greater participation of our communities", for "inter-sectoral collaboration at all levels" and for "decentralised planning with joint identification and prioritisation of needs at the level of the community". In its National Agricultural policy paper of 1995, the Ministry of

Agriculture, Water and Rural Development makes clear their commitment to a government policy which gives "greater autonomy and responsibility to local government authorities for decentralised development planning and management of natural resources".

- 5.2.5 In its water supply and sanitation sector policy digest, the Ministry goes even further to state that, "decentralisation objective should take precedence over the performance objective"
- 5.2.6 However, while some sector ministries have tried to incorporate principles of decentralisation in their policy development process, others have, even after the Regional and Local Authorities Acts had already been passed, continued to create structures which ignore to some extent the decentralisation imperative.
- 5.2.7 Thus apart from general inertia, there has been problems such as policy unclarity, lack of clarity on the institutional development required to implement decentralisation, and lack of clarity on the part of each sectoral ministry as to what initiative they themselves are expected to take. There are also of course issues such as the professional and other capacity constraints at local levels, as well as in some cases, questions of the need to develop further the Namibian model of decentralisation, so that it is evidently relevant to the Namibian situation.
- 5.2.8 It is clear therefore that a lot of decentralisation development has been going on in different sector ministries. What has been lacking is a conscious effort at coordination to ensure a common decentralisation programme and strategy, albeit sectorally multi-pronged.

5.3 Institutional Development

- 5.3.1 The basis of the institutional mechanisms already exists, in that the Ministry of Regional, Local Government and Housing, charged with the responsibility for coordinating decentralisation thrust, policy and implementation, already

exists, the Regional Councils have been created and the Local Authorities have been strengthened.

5.3.2 Key central agencies like the Prime Minister's Office, which has a supervisory role to play in the implementation of decentralisation, as well as the National Planning Commission, given its extensive power to assist with the regional and local government planning, are committed to the implementation of the decentralisation policy.

5.3.3 The line ministries are aware of their responsibility to fulfil their constitutional and legal obligations. Those which have decentralised by way of deconcentration, are poised for immediate greater coordination under the general umbrella of the regional councils, and for eventually devolution to the regions, as long as formulae can be found which will guarantee the professional and technical competency in the delivery of services for which they are responsible.

5.4 *Resource Allocations*

5.4.1 Except for Municipalities, most of the sub-national government levels still depend on central government subventions and staff to carry out their programmes.

The provision that regional councils receive 5% of the money levied by local authority councils in their areas is seen as inequitable because in some regions, particularly those which used to be Bantustans, there are no local authority.

5.4.2 The principle of decentralising resources or resource base together with functions has not been satisfied so far. The constitution, the legislation and the NDP1 all recognise this principle and urge that it be implemented.

5.5 *Programmes Implementation*

- 5.5.1 Central government has usually found it convenient to utilise regional councils and local authorities to carry out those specific programmes which benefit most through local knowledge and contracts on a delegation basis.
- 5.5.2 Other than municipalities, sub-national levels of government have not played any significant role in own programme development and implementation, which clearly is not consistent with the constitutional and legislative intentions already outlined.

6. NEED TO REVIEW PROGRESS

- 6.1.1 There are a number of reasons why it became necessary to review the decentralisation policy, its implementation and success. Below are some but not all of them.

6.1.2 Consensus that decentralisation is not taking place

There is consensus in the country that decentralisation is not taking place and the Government at the highest level has been aware and concerned about this issue.

6.2 Inertia or lack of clarity on the part of central government ministries.

- 6.2.1 As has been demonstrated before, these commitments at national and state level have not been met with equal enthusiasm at the ministerial and sectoral levels.
- 6.2.2 Central government line ministries have, at operational level, expressed need for policy clarity concerning decentralisation.
- 6.2.3 Only concerted effort at policy clarification, review and enforcement could see the process launch at a faster pace.

6.3 Pressure from the newly created institutions

6.3.1 At the same time pressure from the newly created institutions, particularly regional councils and new local authorities, while it has been polite and non-confrontational, is beginning to be louder and strident.

has not been clarity on what the values underlying decentralisation are, what strategies to employ in light of other changes going on in the economy and in the Organisation of the civil service, and therefore confusion has reigned as some have seen privatisation for example, as a substitute for decentralisation, which it is not.

6.4 *Pressure from other groups*

6.4.1 A number of groups have tended to equate the lack of progress in decentralisation to negation of democratic development.

6.5 *The need to speed up democratic access by our people*

6.5.1 An overriding pre-occupation of the Namibian State and Government is the extension of democracy to the people of Namibia to whom it has been unjustly denied for so long.

6.5.2 To the extent that decentralisation is extension of democracy to our people, any delay for such extension cannot be tolerated unless fully justified. A policy review provides an opportunity to speed up the process by removing constraints and re-channeling resources.

6.5.3 In spite of the constitutional provision for, and the legislation on decentralisation, several ministries have continued policy development and introduced legislation which do not take into account the decentralisation policy.

6.6 *The need for a common policy frame*

6.6.1 A common framework in which to engage in constructive policy dialogue and negotiations of

- what is realistically possible, and in what time frame, is necessary for the process to move forward.

6.6.2 This policy review process therefore seeks to put the debate in context, by reviewing the policy and legislative requirements, as a basis for developing a clear implementation strategy which all interested parties can relate to and independently monitor.

7. THE PREVAILING NATIONAL CONTEXT

Decentralisation will have to be developed in the framework of and take into account, the prevailing national context, because it will both impact and be impacted by that context. Some of the key aspects of that national context are:

7.1 Socio-economic reform

7.1.1 After only seven years of independence, following years of apartheid and deliberate racist repression which divided the country, the economy and all regulated social interaction on the basis of race, it is inevitable that the overriding concern for the national socio-economic strategy is to redress imbalances, while stimulating growth and development through creating an enabling environment for participatory development, individual opportunity and responsive and sensitive governance, close to the people.

7.1.2 The journey from apartheid society and economy to a people centred development strategy within a democratic Namibia requires a governance structure and a development strategy which maximises the talents and enthusiasm of its people for self-determination at all levels.

7.1.3 The on-going socio-economic reforms are linked not only to the necessary transformation as above but also to the macro-economic and fiscal reforms which are currently under way. Decentralisation implies that the challenges

and the discipline required has to be exercised at local level as well as at the national level.

7.1.4 The regional and local authorities who inherit functions which are amenable to privatisation, commercialisation, or public/private partnerships have to acquire the skills and discipline, hitherto the preserve of central government, to lead and manage macro-economic reform.

7.2 *Public Sector Reform*

7.2.1 The rationalisation of the public sector, linked as it is to re-definition of the role of the state, is equally linked to the new roles of the non-state actors in both governance and the economy. Decentralisation is both a beneficiary of this experience and a recipient of some of the functions which the state is shedding off.

7.2.2 In a situation of skills shortage and dire need to deploy scarce resources prudently, rationalisation of the public sector must take into account the decentralisation dimension at both the level of functions devolution and personnel re-deployment.

7.3 *National Emergencies*

7.3.1 Namibia, like most countries in Southern Africa, is prone to frequent droughts and consequent food shortages which often means redirecting resources, effort and energy to alleviating the worst effects of such disasters.

7.3.2 Such national disasters are relevant to decentralisation in two ways - they can slow down decentralisation while the nation concentrates on the disaster, or once achieved, regional and local authorities are often the best level at which to manage such disasters as they are much closer to the people and are more likely to do this more effectively.

7.4 *Environmental Issues*

7A.1 One of the key questions for sustainable development in Namibia is environmental management.

7.4.2 The precarious balance between meeting current developmental needs, preservation of the built and natural environment, and sustainability guarantees for future generations require the type and level of awareness and commitment which can only come from extensive participation of all the people at all levels, and the application of knowledge and self-interest of all the institutions in society, modern and traditional.

7.4.3 Decentralisation, because of the participation and self-development for it creates, is an opportunity to diversify to all levels the responsibility for the management of the environment, not only in accordance with Namibian needs and priorities, but also in furtherance of Agenda 21 of the Rio Declaration to which Namibia is a signatory.

7.5 *Poverty Eradication*

7.5.1 One of the most intractable challenges facing Namibia is the issue of poverty eradication.

7.5.2 Central to both rural and urban poverty, is the issue of access to decision making and to resources. Decentralisation will enhance local people's access to locally relevant decision making through which they will be able to control local and external resources so that they may be utilised according to their own priorities.

7.5.3 Poverty eradication is a long-term goal which can only be achieved through well planned community initiatives, institutionalised in organs of self local government, not sporadic forays by well meaning but not sustainable initiatives.

7.6 *Gender Issues*

7.6.1 In Namibia, as in the rest of the world, but more specifically the developing countries, the increasing

understanding of gender issues and the enactment of gender sensitive laws have not led to significant relative equity between the sexes.

7.6.2 Gender equity is paramount for democracy and development.

7.6.3 It is not sustainable when this happens only at the top. It is at the grass roots that it is necessary to institutionalise equitable participation by not only both sexes, but also all ages, in decision making and development activities which affect them.

7.6.4 Decentralisation in Namibia will provide a vehicle through which greater effort will be made to enforce gender sensitive, responsive governance approaches, where all members of the community, men and women, young and old, have an opportunity to participate in decision making and decision implementation.

8. DECENTRALISATION, NATIONAL DEVELOPMENT AND SPECIFIC REFORM INITIATIVES

8.1 *NDPI*

8.1.1 The importance of regional and local government as both a development strategy and development objective is clearly articulated in the NDP1. The plan recognises that for participative development, redress of regional imbalances, and sustainable development to take place, meaningful decentralisation has to be implemented as a matter of priority. However it also recognises decentralisation for democratisation and human development as an integral objective, over and above its instrumental value for development.

8.2 *Wages and Salaries Commission (WASCOM)*

- 8.2.1 The civil service reform strategies being discussed and developed in the country must therefore reflect this clear national objective and contribute to the strengthening of decentralisation and to the effective capacity building for improved service delivery and for unfettered democratic participation at the local level.
- 8.2.2 No serious public service reform in the Namibian context, given the policy positions which have already been taken by government can conclude without addressing the issues of national management in their totality, i.e. public service reform, decentralisation and private sector development, and how these are all inter-linked and how devolution from one level of government affects the rationalisation in the process at the other level.

8.3 *Macro-economic and Fiscal Policy Management*

- 8.3.1 The recognition of the role of the regional and local levels of government as part and parcel of the national management machinery means that as central government will implement its macro-management strategies, the role of these levels has to be factored in. All economic and fiscal management decisions will be assessed in terms of the most appropriate level of their management. As functions are decentralised, so also will the responsibility for economic and fiscal decisions related to them and the necessary consultation and support mechanisms will be developed.

8.4 *Decentralisation and Cost-effectiveness*

- 8.4.1 The assumption behind decentralisation in cost-effectiveness terms is that when people manage their own resources and there is a more direct relationship between revenue, expenditure and services, there will be less wastage and more responsibility, cost recovery will be more feasible.
- 8.4.2 The closer to the point of service delivery the technical cadre is the cheaper the cost of such services

The more people see of what their money is buying, the easier it will be to raise revenue

8.4.4 Therefore in the long run decentralisation will be relatively cheaper than central government delivering services from the centre.

9. CRITERIA FOR DECIDING ON DECENTRALISATION

9.1.1 Decentralisation as a major change effort directed at transforming the way the governance of people, the mobilisation of resources and the delivery of services are organised requires that there are clear criteria to determine what gets decentralised, when and at what speed. The following criteria will be applied to determine functions to be decentralised, the timing and pace of such decentralisation.

9.2 FUNCTIONS

9.2.1 Scale

9.2.1.1 Some functions are so big, lumpy or all embracing that they can only be usefully carried out at national or even international level

9.2.2 Proximity to community

9.2.2.1 Generally functions which are close to the people in terms of use and access are more amenable to decentralisation than those which are not

9.2.3 Sensitivity to community input

9.2.3.1 There are functions which are more responsive to local input, benefit from local knowledge and take on local characteristics, regardless of who is carrying them out. Such functions are better carried out at, and by the local level

9.2.4 Directness of relationship between revenue and services

9.2.4.1 Whenever people are requested to pay for services, the more direct the relationship between the payment and the delivery of services the better.

9.2.4.2 Where people pay for services accountability is demanded.

9.2.4.3 Accountability is best the closer the leadership and their institutions are to the people they serve.

9.2.5 Dependence of function on community involvement

9.2.5.1 When the success of the implementation of any function is directly dependent on community involvement, such a function might as well be implemented by the community.

9.2.6 Amenability to community management

9.2.6.1 Any activity which can be managed at the local level should be managed at the local level.

9.3 PACE OF DECENTRALISATION

It is important to note that even when agreements have been reached on decentralisation, the pace of decentralisation has to be determined so that the expectations about how fast decentralisation can be implemented are realistic and generally shared and understood by all concerned. Below are some of the issues which affect the pace of decentralisation, speeding up or slowing down the process.

9.3.1 Democracy

9.3.1.1 Democracy delayed is democracy denied, meaning that a promise of democracy in future is no substitute for democracy now.

9.3.1.2 At the same time democracy not guaranteed by proper institutional development is democracy endangered, for if it fails as a result of inadequate institutional preparation, it gives an excuse to non-democratic forces to roll back the democratic process. Therefore democratic development must include institutional development for its implementation and sustenance.

9.3.2 Governance

9.3.2.1 Governance implies participation in decision making, and therefore the pace of decentralisation must be co-determined by all the players in a process of information sharing, situation assessment, negotiation and consensus. Participation in the process of development of democratic and governance institutions is itself the democratic process.

9.3.2.2 Empowerment imposed is dis-empowering. It is not conducive to democratic development to impose a democratic system undemo-cratically. People must choose their own system and how they consummate their own democracy.

9.3.3 Feasibility

9.3.3.1 Whatever is agreed for decentralisation must be possible to do, given the history, resources, capacity, politics, etc. and not unrealistic wishful thinking.

9.4. CAPACITY

9.4.1.1 Policy making, implementation, monitoring and review capacity are necessary determinants of the pace of implementation of decentralisation

9.4.1.2 *Administrative and institutional development capacity are necessary*

9.4.1.3 *Technical capacity to actually implement also determine at what pace decentralisation can be implemented*

9.4.2 Resource availability

9.4.2.1 *Financial, material and human resources can speed up or slow down the pace of implementation*

9.4.3 National socio-economic context

9.4.3.1 *The fiscal situation, the macro-economic challenges, etc., even after decisions have been made, can delay implementation of decentralisation, or indeed speed it up.*

9.4.3.2 *National disasters such as drought, wars or even ethnic conflicts can be factored into delaying decisions already made on decentralisation.*

9.5 PHASING DECENTRALISATION

9.5.1 *Decentralisation can proceed in steps in terms of timing, components and resource outlay. That is to say some functions would have to be decentralised before others, and those functions which are candidates for decentralisation can be decentralised in stages, slices or discrete components.*

9.5.2 By functions

Some functions will be decentralised immediately, others in the medium term and the rest in the long term or never at all.

9.5.2.1 Immediate

Those functions about which there is agreement between central government and regional and

local governments and which are easy to decentralise will be decentralised immediately.

9.5.2.2 *Medium-term*

Those functions which are generally agreed for decentralisation according to the criteria in this policy but where, due to some complexities, issues, or questions related to them, will be decentralised in the medium term, giving time to resolve the outstanding questions, be they political, technical or administrative.

9.5.2.3 *Long-term*

Functions which are left in the long-term category are those which, either because of their complexity or national nature, will either need a long time to assess and debate for decentralisation or will not be decentralised at all.

10. LEVELS OF, AND RELATIONSHIPS IN DECENTRALISATION

10.1.1 In Namibia, Central Government functions are to be decentralised directly to two autonomous levels of the same government, namely Regional Councils and Local Authorities. The former being the regional authority for all non-urban areas. However it also covers the area in which local authorities fall, which gives it a coordinative as well as residual function responsibility.

10.1.2 One of the key objectives of the decentralisation process is development through democratic participation of the people, particularly those whose participation has been marginalised over the years.

It is an undisputed fact that rural Namibian society is socially and culturally traditional, and that democracy will have no roots if democratically constituted institutions ignore the fact that traditional leadership is the catalyst for the traditional societies to effectively participate in

democratic and development institutions as co-owners and beneficiaries of the process along with the rest of society, and not victims of the developmental and democratisation process.

10.1.3 Institutional mechanisms for traditional leaders to influence the formulation of development policy and strategies in their regions, and to facilitate implementation, will be developed in consultation with regional councils and traditional authorities. The main objective is to facilitate the constructive application of traditional leaders' role and influence in the community. The Traditional Authorities Act has already gone a long way in rationalising the role of traditional leaders and consolidating their authority in independent Namibia.

10.1.4 Meanwhile cooperation and collaboration between regional councils and local authorities will be encouraged through exchange of information, collaboration on region - wide planning and development issues, and mutual support in carrying out functions. Such cooperation and collaboration is essential between especially regional councils, and traditional authorities but also with other structures of government at every level.

11. FUNCTIONS TO BE DECENTRALISED TO REGIONAL COUNCILS AND LOCAL AUTHORITIES

11.1 Using the above criteria and taking into account all the issues regarding direction and pace of decentralisation to regions, and as a result of extensive consultations nationwide, it has been decided that the following functions will be decentralised, within the timeframes indicated and to the type of councils shown.

11.2 *Functions for Immediate Decentralisation to Regions*

- 11.2.1 community development and early childhood development
- 11.2.2 administration of settlement areas
- 11.2.3 rural water development and management
- 11.2.4 management and control of communal lands

- 11.2.5 primary health care
- 11.2.6 primary education
- 11.2.7 conservation
- 11.2.8 forest development and management
- 11.2.9 physical and economic planning (including capital development projects)
- 11.2.10 emergency management
- 11.2.11 resettlement, rehabilitation and housing
- 11.2.12 regional council personnel responsibility
- 11.2.13 agency services to regional councils, villages and settlements

11.3 *Functions that can be decentralised in the intermediate term because they need further work, study, etc.*

- 11.3.1 regional assets management now under Ministry of Works, Transport and Communications
- 11.3.2 small miners development
- 11.3.3 rural electrification
- 11.3.4 agency services to villages and settlements

11.4 *Functions not likely to be decentralised to Regional Councils in the near future (long-term)*

- 11.4.1 All governmental functions being implemented by line ministries at regional levels should eventually be decentralised to Regional Councils
- 11.4.2 There will always be those functions which can never be decentralised in a unitary state
- 11.4.3 All those functions, or parts of functions, which in theory are decentralisable, according to the above criteria, but not listed in 11.2 and 11.3 above, will continue to be carried out by line ministries for the foreseeable future
- 11.4.4 For that to happen, line ministries should be organised such that their representatives have specific regional responsibilities and Regional

Councils know what these are and which region(s) they are responsible for.

12. FUNCTIONS TO BE DECENTRALISED TO LOCAL AUTHORITIES

- 12.1.1 Local authorities in Namibia already carry out certain functions assigned to them by the Local Authorities Act. Which ones they carry out depends on their grading in terms of the above act.
- 12.1.2 In general it is expected that those municipalities with the highest grading, part one, will take on full responsibility for their communities for all the functions defined in terms of the criteria for decentralisation outlined above.
- 12.1.3 In principle where the relationship between local authorities and central government remains a strong one in functional and funding terms, such a relationship could be exercised through regional councils.

12.2 *Functions to be decentralised immediately or immediate to intermediate term by level of municipality*

12.2.1 PART ONE MUNICIPALITIES

- 12.2.1.1 Vehicle Testing and Licencing
- 12.2.1.2 Traffic Control
- 12.2.1.3 Community development and early childhood development
- 12.2.1.4 Responsibility and accountability for electricity distribution
- 12.2.1.5 Full responsibility for town planning schemes within the framework of approved master plans
- 12.2.1.6 Full responsibility for the environment and conservation
- 12.2.1.7 Emergency management
- 12.2.1.8 Business registration
- 12.2.1.9 Housing
- 12.2.1.10 Liquor licensing
- 12.2.1.11 Pre-primary and primary education

- 12.2.1.12 Primary health care
- 12.2.1.13 Social services schemes e.g. pensions orphanage, street children and disability programs
- 12.2.1.14 Youth sport and recreational activities
- 12.2.1.15 Collection of taxes
- 12.2.1.16 Non-personal health services
- 12.2.1.17 Control of aerodromes
- 12.2.1.18 Libraries

12.2.2 PART TWO MUNICIPALITIES

- 12.2.2.1 Liquor licencing
- 12.2.2.2 Full responsibility for environment and conservation
- 12.2.2.3 Business registration
- 12.2.2.4 Pre-primary education/ and primary education
- 12.2.2.5 Responsibility and accountability for electricity distribution
- 12.2.2.6 Housing
- 12.2.2.7 Traffic control
- 12.2.2.8 Vehicle testing and licencing
- 12.2.2.9 Primary health care
- 12.2.2.10 Social services e.g. pensions, orphanage, street children and disability programs
- 12.2.2.11 Community development
- 12.2.2.12 Youth, sports and recreational activities
- 12.2.2.13 Collection of taxes
- 12.2.2.14 Non-personal health services
- 12.2.2.15 Libraries
- 12.2.2.16 Emergency management
- 12.2.2.17 Control aerodromes
- 12.2.2.18 Full responsibility for town planning schemes within the framework of approved master plans.

12.2.3 TOWNS

- 12.2.3.1 Traffic control
- 12.2.3.2 Vehicle registration
- 12.2.3.3 Sales tax collection

- 12.2.3.4 Libraries
- 12.2.3.5 Sports and recreational facilities

12.2.4 VILLAGES

- 12.2.4.1 Collection of taxes
- 12.2.4.2 Recreational facilities
- 12.2.4.3 Control of aerodromes
- 12.2.4.4 Water services collection fees

12.3 Functions to be decentralised in the intermediate to long-term

12.3.1 PART ONE MUNICIPALITIES

- 12.3.1.1 Primary education
- 12.3.1.2 Primary health care
- 12.3.1.3 Libraries
- 12.3.1.4 Policing

12.3.2 PART TWO MUNICIPALITIES

- 12.3.2.1 Policing
- 12.3.2.2 Museums
- 12.3.2.3 Tourism, management of tourist resorts
- 12.3.2.4 Nursery schools, school hostel

12.3.3 TOWNS

- 12.3.3.1 Tourism

12.3.4 VILLAGES

- 12.3.4.1 Control of small scale mining within the village area
- 12.3.4.2 Public transport for villages
- 12.3.4.3 Tourism management

12.4 Functions to be decentralised to Local Authorities in the long-term

- 12.4.1 All governmental functions being implemented by line ministries or regional councils at local authority levels should eventually be decentralised to local authorities.
- 12.4.2 There will always be those functions which can never be decentralised in a unitary state or if decentralised are better carried out at regional rather than local level
- 12.4.3 All those functions, or parts of functions, which in theory are decentralisable, according to the above criteria, but not listed in 12.2 and 12.3 above, will continue to be carried out by line ministries or by regional councils for the foreseeable future.
- 12.4.4 For that to happen, line ministries and regional councils should recognise the local authority area as an entity for which they are exercising specific responsibility for specific functions, into the exercise of which responsibility, the local authority in question has an interest and right to have influence

13. PHASING IN EACH FUNCTION

13.1 *By region and level of local authority*

- 13.1.1 The MRLGH will develop a schedule in consultation with each region and levels of local authority to determine each sub-national entity's state of readiness so that not all regions or local authorities need to start at the same time even though some may not be ready. Such phasing in by entity will enable the development of experience which those who will come later, could benefit from.

13.2 *Byfunction*

- 13.2.1 MRLGH will discuss with each ministry whose functions are being decentralised, to determine how the functions need to be phased if necessary and what professional and technical considerations in view of the criteria for decentralisation discussed above.

13.3 *By state of readiness*

- 13.3.1 Even when all the criteria have been met, there are many functions which are bound to their current line ministries by acts of parliament. The process of legislation and legislative change would have to be allowed for in those situations.
- 13.3.2 There are functions which need to be clearly defined at national level in terms of both policy and technical feasibility before they can be meaningfully decentralised, e.g. privatisation, commercialisation and parastatal reform.

14. IMPLEMENTING DECENTRALISATION

14.1 *Implementation strategy*

- 14.1.1 The ultimate objective of decentralisation in Namibia is devolution of power to the level closest to people in a manner consistent with the preservation and development of the democratic unitary Namibian state.
- 14.1.2 However decentralisation in Namibia will be implemented in stages which will be determined according to the above criteria.
- 14.1.3 There are functions which will be devolved immediately, those which require some time and preparation before they are devolved, and those which are not going to be devolved in the near future, but which will only be deconcentrated to regional and local authority levels whilst remaining central government responsibilities.
- 14.1.4 There will be need for policy and legislative rationalisation to ensure that both decentralisation law and sectoral enabling acts are in accordance with this policy.
- 14.1.5 It is envisaged that by the year 2002, the process of implementation and the bulk of activities currently undertaken by government for the people will have been decentralised to regional and local authorities.

14.2 *Institutional and organisational change for implementation of decentralisation*

- 14.2.1 Those functions which will be immediately devolved will require internal changes in the regional and local authority councils in terms of organisation and personnel arrangements.
- 14.2.2 A new relationship between central government and regional councils, between regional councils, local authorities and central governments, which differentiates between national policy making and its implementation at regional level and local levels, setting national standards and achieving regional priorities and local choices, needs to be developed.
- 14.2.3 Those functions which require further study before devolution will be handled by the MRLGH with the necessary professional and technical analysis and study being the responsibility of the relevant line ministry.
- 14.2.4 Those functions which remain the responsibility of central government for the time being will be coordinated at regional level, i.e. at the level at which these are being implemented.
- 14.2.5 A coordination body within each of the thirteen regions, chaired by the regional officer, and comprising all regional representatives of line ministries, will be established in each region to coordinate regional development, through coordinated planning, monitoring of plan and projects implementation and evaluation
- 14.2.6 This body shall submit their recommendation to the Regional Council which is chaired by the Regional Governor, for adoption.
- 14.2.7 In addition to comprehensive capacity building for the Ministry of Regional Local Government and Housing, the ministry will also be restructured, where necessary, to

enable it to play the leadership, role in the implementation of decentralisation.

- 14.2.8 Such restructuring should ensure the generation of implementation ideas, the monitoring, training and generally spearheading the decentralisation process, as well as to have a one-stop advisory centre for the implementation of decentralization

14.3 *Role of Central Government vis-a-vis devolved functions*

- 14.3.1 The relationship between central government and regional councils will change in relation to the exercise of their functions in that

- 14.3.1.1 Central Government, Regional Councils and Local Authorities will relate formally through a legal framework which establishes their respective roles

- 14.3.1.2 Central Government's key roles will be mainly in overall national issues such as -

- 14.3.1.3 *Policy Making***

- 14.3.1.4 Overall control and monitoring of all national organs including Regional Councils

- 14.3.1.5 Budget and other national economic development functions within which framework the regions and local authorities will carry out their own regional functions

- 14.3.1.6 There will be more formal consultation and mutual advice

- 14.2.1.1 There will be regulated formal relationship between regional councils and local authorities rather than just a courteous one

14.4 *Resource strategy-financial*

- 14.4.1 The Regional Councils Act will have to be amended to conform with Article 108 (c) of the Constitution of the Republic of Namibia on revenue sharing between Central Government and Regional Councils.
- 14.4.2 The taxation act will be amended to allow for the devolution or delegation of taxation powers to Regional Councils and Local Authorities.
- 14.4.3 The Report from the Swakopmund Regional Councils Seminar of 1993 on sources of financing for Regional Councils will be implemented.
- 14.4.4** Regions, cities, towns and villages will be encouraged to engage in imaginative partnerships with the private sector to both deliver services as well as generate some income for the councils.
- 14.4.5 As a matter of principle financial resources or revenue base related to a decentralised function will be decentralised with the function.
- 14.4.6 All in all better procedures will have to be worked out to indicate where and how regional councils can participate in revenue collection.
- 14.4.7 The 5% levy from local authorities to regions will be pooled into a special fund from which regions will be funded according to their needs.
This is intended to remedy the historical inequality between regions, where some have municipalities and others just do not have.

14.5 *Resource strategy-personnel*

- 14.5.1 All personnel attached to the functions being decentralised will be made available to the regional councils.
- 14.5.2 Where needed specialist expertise will be sought.

14.5.3 More effective regular staffing at all levels of government.

14.5.4 Contracting out options where deemed optimal.

14.5.5 Technical assistance from within and abroad will be sought.

14.6 Strengthening of the regional level of government and rationalisation of representation

14.6.1 The regional governor's office will be strengthened and its functions as the political head of the region clearly spelt out.

14.6.2 The regional governor is function is a full time function, and regional councillors functions will also become full time.

14.6.3 Local authority representation at regional council level, which should be designed to obviate the current constituency and ward duplication while

enhancing closer collaboration, will be developed through further consultation.

14.6.4 The salaries and allowances of regional governor and councillors respectively will be revisited and reviewed accordingly.

14.6.5 The Regional Chief Executive Officer's position will be raised to reflect the post's status as the administrative head and accounting officer of the region.

14.6.6 A regional service mechanism will be created to have responsibility for regional personnel matters.

15. CAPACITY BUILDING FOR DECENTRALISATION

15.1.1 For the decentralisation policy to be effectively implemented, a level of individual, organisational, institutional and system wide capacity has to be developed across the board. It is too much to expect that a system barely coping with the daily routine of running a country should also be able to, without any major reorganisation and retooling, run such a major change effort as decentralisation.

15.1.2 Therefore time and resources will be invested in assessing what is needed to create capacity in the system - capacity to conceptualise, adopt, implement and monitor the decentralisation process.

15.1.3 This effort should focus on:

15.1.3.1 *Identifying the key players in the decentralisation effort.*

15.1.3.2 *Delineating the roles of the key players and how these are to be played.*

15.1.3.3 *Clearly examining their normal institutional missions, mandates, objectives etc. vis-a-vis*

how they would relate to the decentralisation process.

15.1.3.4 *Clearly map the different interfaces and how these are to be managed.*

15.1.3.5 *Assessment of the individual and collective capacity of all the key stake-holders to carry out their own function in the whole exercise, including the co-ordinative/collaborative Junction which is essential for the process to go forward smoothly.*

16. THE KEYPLAYERS IN THE DECENTRALISATION PROCESS

16.1 The leadership role of the MRLGH

16.1.1 The Ministry of Regional, Local Government and Housing is the leading agency for the implementation of the decentralisation process.

16.1.2 *This role is exercisable at three levels;*

16.1.3 At national policy level in terms of motivating and preparing central government decision making on matters of decentralisation which still require policy decision or clearance.

16.1.4 At the national level in terms of leading and assisting other central government agencies to implement the policies once made, i.e. ensuring that the policy is implemented.

16.1.5 At the sub-national levels, to which decentralisation is taking place, to prepare them for decentralisation, to build their capacity, to help them implement it, and to monitor and evaluate the policies.

16.2 Key Competencies Needed by MRLGH

16.2.1 To spearhead the policy process, MRLGH needs to have the competence to initiate, develop, advocate for and assist the

rest of government understand and adopt the policies, through, among other things, obtaining political consensus around the concept and objectives of decentralisation.

- 16.2.2 To implement an agreed nationwide policy, MRLGH should be able to develop implementation strategies with clear targets, action steps, resource mobilisation objectives and approaches, monitoring and evaluation mechanisms, to assist other agencies/ministries to understand and carry out their roles, to understand and facilitate the necessary coordination between all the key players, to sequence implementation stages between functions and within functions, to influence the channeling of resources for the implementation policy for the entire effort, not just for its part in the effort.
- 16.2.3 MRLGH's leadership of the sub-national levels of government requires that it be able to involve them in the policy process, to explain decentralisation policy once made, changed or clarified, delineate the different roles between key players at that level, build the necessary institutions for the implementation of the policy, develop the capacity of the institutions to carry out their functions properly, resource them adequately, and monitor their implementation of their functions.

16.3 Key Competencies Needed by National Planning Commission

- 16.3.1 The National Planning Commission has the key role of ensuring national development planning. In that capacity, the NPC needs to have at least the competence to:
 - 16.3.1.1 develop and manage a participative local and national planning system
 - 16.3.1.2 coordinate local and regional planning processes and resultant plans such that they are part of the national planning processes and plans

16.3.1.3 relate to responsible agencies such as MRLGH and local and regional authorities in a way which enhances, rather than diminish their own roles

16.3.1.4 relate national planning frameworks to local planning frameworks

16.3.1.5 set resource allocation priorities consistent with the decentralisation policy and process

16.4 Key Competencies Needed by Prime Minister's Office

16.4.1 The Prime Minister's Office, in its role as the manager of government:

16.4.1.1 has the role to ensure that decentralisation as Government policy, to the extent that it affects the way Government operates, is implemented by all relevant parties.

16.4.1.2 has to use its supra-ministerial rank to facilitate the coordinative function of MRLGH with other ministries.

Its organisation and methods function as well as its personnel function are key to the capacity of both MRLGH and regional and local councils to carry out their functions.

16.5 Key Competencies Needed by Ministry of Finance

16.5.1 The Ministry of Finance has several key responsibilities in the decentralisation process namely,

16.5.1.1 **it** finances the process at national level and therefore can influence the degree to which central agencies engage in decentralisation activities.

- 16.5.1.2 it has accounting rules which could help or hinder sectoral decentralisation by ministries.
- 16.5.1.3 it has taxation powers which it can devolve to the councils.
- 16.5.1.4 it allocates money to the councils for various activities including staffing and training.
- 16.5.1.5 its fiscal management responsibility demands that it relates fiscal management, discipline and protocols at national level to the decentralisation process as well, as one system.

16.6 Key Competencies Needed by Sectoral Ministries

16.6.1. Sectoral ministries are responsible for all functions which, potentially, are the ones to be decentralised.

They face the challenge of:

- 16.6.1.1 understanding decentralisation and what it means for their functions.
- 16.6.1.2 participation in the determination of which functions should be decentralised, how and in what sequence.
- 16.6.1.3 capacity building for the councils in respect of carrying out the specific sectoral functions.
- 16.6.1.4 designing the necessary inspectorate and monitoring mechanisms to ensure uniformity of delivery standards across the country.
- 16.6.1.5 making national sectoral policies and assisting with its implementation at the council levels.

16.7 Key Competencies Needed at Sub-national level

16.7.1 At regional council and local authority levels the most important competency requirements include

- 16.7.1.1 understanding decentralisation and their role in its implementation.
- 16.7.1.2 understanding the limitations to decentralisation in a unitary state.
- 16.7.1.3 appreciating the responsibility of authority and accountability which goes with it.
- 16.7.1.4 translating decentralised authority into service to the people they represent.
- 16.7.1.5 understanding and playing the role of political and technocratic leadership in constituency representation and policy making and in delivery of services respectively.
- 16.7.1.6 negotiating for functions decentralisation or retention by the state, for resource transfer or mobilisation authority as the case maybe.
- 16.7.1.7 feeding back about implementation difficulties, without appearing to be critical of the policies themselves.
- 16.7.1.8 resolving the problem of party loyalty versus their responsibility to the community as a whole.
- 16.7.1.9 capacity to be a government, responsible for a territorial unit, its physical, economic and social development and the welfare of the people within that unit.
- 16.7.1.10 development planning, management, etc.
- 16.7.1.11 managing and utilising the interfaces between them and central government, and the people as electors and recipients of services, other

agencies, other councils, and key role players and stakeholders in the council areas.

16.8 Key Competencies Needed by Development Agents: Non Governmental and Governmental and Intergovernmental, local and foreign

16.8.1 Development Agents, Non-Governmental and Governmental and Intergovernmental, local and foreign have roles to play and their own needs and hence capacity building requirements. Some of the competencies which are felt development agencies need to have include:

- 16.8.1.1 to understand the development priorities of the local communities and support the same.
- 16.8.1.2 to use their resources and expertise to assist with the development of these ideas and the setting of their own priorities.
- 16.8.1.3 to support people implementing their own development initiatives rather than to do it for them.
- 16.8.1.4 be development driven rather than project drive
- 16.8.1.5 have participative development skills.
- 16.8.1.6 strengthen local communities without necessarily antagonising them with the local authorities and the state.

17. MONITORING AND REVIEW

Government wishes to ensure that the decentralisation policy is not only speedily implemented but also that it remains on course. In order to do that effectively, implementation targets will be set, monitoring mechanisms put in place, and a review timetable worked out.

Meanwhile some key areas of change are already clear, and their successful implementation will serve, among other things, as important bench marks for policy progress review.

17.1 Implementation targets

Decentralisation is a macro change process which will impact on the rest of the State and alter significantly the conception of who carries out the business of governing and that business is done. The way Government is running now and the sectoral division of labour is based on law, run in particular organisational forms with certain resource and procedural structures whose change can be realistically assessed

17.1.1 Legislation

There are many pieces of legislation which need to be changed to enable the implementation of this policy. Government will find the easiest and most cost effective way of reviewing and where necessary changing legislation. The extent to which legislative issues are not allowed to hold back the implementation of the policy, and to which all essential legislative change is timeously done, will indicate commitment to, and facilitate the implementation of the policy.

17.1.2 Institutions

The institutions of central government created and organised to carry out those functions now being decentralised will need to change in such a way that they can carry out the new roles assigned to them. The longer they take to change, the more they will be the bastion of resistance to the implementation of the policy. Similarly, at the sub-national levels to which the new functions are being devolved, certain key changes are called for, both in terms of changing orientation of existing institutions as well as creating new institutional capacities.

17.1.3 Resource availability at local levels

The policy provides for the development of new ways of resource sharing between the centre and the sub-national levels. It does not matter how much political, administrative

and technical progress has been made in decentralisation, for as long as the resource question is not resolved, there is no decentralisation in the way envisaged by this policy. Government will therefore ensure rapid action in the development and implementation of resource sharing strategies which are consistent with the policy, and closely monitor its implementation with the seriousness which recognises the important role which this component plays in the success of decentralisation.

17.1.4 Personnel policies

Haphazard personnel policies are a source of much failure and even sabotage of decentralisation. Clear policies which are sensitive to the needs and wishes of public servants, which provide both material and career incentives and recognise the initial personal costs of being posted to remote areas, have to be developed and implemented seriously. Government will closely monitor these developments and ensure that any detected hitches are immediately dealt with and not allowed to slow down the process.

17.1.5 Personnel qualified in accordance to agreed criteria

A comprehensive manpower plan and a capacity building programme will be launched to ensure that the implementation of decentralisation policy is not compromised by lack of appropriate organisational and individual skills. And government will set clear and achievable targets for this activity.

17.2 Indicators for successful implementation

Governments all over the world often make policies which end up with results quite different from the ones originally envisage. It is therefore important to have, right from the outset, a picture of what successful implementation will look like. Among other things, when the policy has been successfully implemented, the following would have happened and will be clear, however they are eventually measured.

17.2.1 Political consensus

In order to implement, in the course of implementation and a result of implementing decentralisation, there will be more political consensus regarding how to achieve the democratic ideal, how to share national resources among various societal groups, the basic values to be upheld by the national system, resulting into a comfortable national stability based on unity in diversity.

17.2.2 Resource mobilisation and utilisation

Resources for decentralisation will not only have been mobilised in sufficient quantities, but will also have been properly utilised for decentralisation programming and implementation and not diverted to other areas of national priority. Even more critical for sustainable decentralisation, the basis of resource mobilisation and resource sharing between national and sub-national **levels** will **have** been agreed. For as long as sustainable mechanisms for resource sharing between the centre and the sub-national levels have not been created, decentralisation will not be sustainable

17.2.3 Planning and plan and project implementation

The more the planning, programming and budgeting will be based on sub-national levels priorities and decisions, the more decentralisation will have been successfully implemented. While national policy continues to be the determinant of national development, local priorities, albeit within the national framework, should have become the guiding parameters for local planning, programming and budgeting.

17.2.4 Delivery of services

The **success** of decentralisation will not just be measured by the fact that the sub-national levels are responsible for delivery of services, but for the increased effectiveness of that delivery. The services should be more relevant, responsive, and more cost-effectively delivered.

17.2.5 Accountability

One of the most important motivations for decentralisation is accountability. When the Namibian decentralisation policy has been successfully implemented, there will be closer and increased political, resource and bureaucratic accountability and indeed transparency because of the closeness of the people to the institutions of government and the ability of the re-awakened civil society to participate in and monitor activities being implemented on their behalf.

17.2.6 Recognition by the people as the responsible authority in the area of their jurisdiction

Successful decentralisation means that local and regional authorities will not only behave as, but be increasingly seen as the authority within the areas of their jurisdiction, and not behave as and therefore be seen as representatives of central government who are mere implementers of its policy and not accountable to the people at local level.

They will be seen by the local constituencies as worth putting pressure on, worth petitioning, worth serious consideration during elections etc., thereby making democracy at local level be taken more seriously.

17.2.7 Striking a balance between decentralisation and the role of the state such that no one is worried about any danger to the unitary state

When this policy is successfully implemented, those who fear the balkanisation of the country or the "degeneration into federal systems" will have their fears allayed as the successful implementation will have shown that decentralisation is a governance and development issue rather than a divisive issue. That is, to the extent that decentralisation would have brought unity in diversity through local development within a national framework, to that extent decentralisation will have been successful.

17.3 Evaluation of success

Using some of the above indicators and many others yet to be developed, a number of evaluations will be carried out. The first evaluation will aim at assessing whether the policy implementation is on course, and the second will aim to assess whether the policy implementation, taking into account any adjustment made as a result of the first evaluation, has been completed and successful. The timing, terms of reference and indicators for these evaluations will

be worked out in the context of finalisation the Action Plan for the implementation of the decentralisation policy. It is the context of that action plan that the following will be addressed

- **time frame for evaluation**
- **responsibility for evaluation**
- **resources for evaluation**
- **obj ectives of each evaluation**
- **the use of the results of the evaluation**

In a nutshell, this document sets out the framework policy of decentralisation, of which the process of implementation will take approximately 5 years.

RESPONSES TO QUESTIONS ASKED DURING THE ADOPTION OF THE POLICY IN NATIONAL ASSEMBLY

Mr Speaker

Honourable Members of the National Assembly

I am grateful to all Hon. Members who took the floor in contributing to the discussion of the Decentralisation Policy for Namibia, currently before the House for its adoption.

I am also pleased to observe the general support the House has accorded the policy, in particular those members who reminded us that the decentralisation of certain functions to the regions, is the best way to ensure that democracy is felt at all levels of society. At the same time we have to make absolutely sure that decentralisation functions be carried out in phases, but in the interest of Namibia as a unitary State, and not promote regionalism.

There are those Hon Members who are of the opinion that Decentralisation is being introduced by the ruling party, as result of persistent calls from the opposition. This view is not correct since the political imperative for decentralisation in Namibia was expressed already as early as 1989 by the ruling party.

In fact, chapter 12 of the Sout West Africa People's Organisation (SWAPO) Party Election Manifesto of 1989 on Local Government and Housing provides that, "Under a SWAPO Government, independent Namibia will have democratically elected local authorities, both in rural and urban areas, in order to give power to the people at the grassroots level to make decisions on matters affecting their lives". In essence clearly, that shows SWAPO's determination to create decentralisation in an independent Namibia.

I'd like to thank Hon Luipert for this positive contributions to these discussions, and agrees that the attainment of democracy through decentralisation, calls for a great sense of responsibility on the part of regional councils, local authorities, as well as the communities.

Other Hon Members such as Mr Moongo and Mr Kamburona expressed their concern about the power relationship between chiefs and regional councils, and the role chiefs play in the implementation of Decentralisation.

The role of chiefs in a modern Namibia is covered in various Acts, such as the Traditional Authority Act of 1995 as amended and the Council of Traditional Leaders Act of 1997. I'm sure the coming Communal Land Bill will spell out that the administration of land in communal areas shall vest among others, with traditional authorities.

It is also clear in other laws that traditional leaders can take part in local authority elections, where they could influence matters at that level. As citizens of the Republic of Namibia, they can also play other positive roles such as unifying the people of our country. It is therefore not correct to doubt their participation in the implementation of Decentralisation.

Hon Siska is expressly concerned about the make - up and the attendance of a "focal persons workshop" on decentralisation at Ehor Lodge in April this year.

She alleged that the absence of representatives of the regions and local authorities was not encouraging. I can say that the "focal persons" in question, were those representing central Ministries, as these are the "focal persons" who on behalf of their respective institutions are to be contracted at all times by my Ministry as we carry out the co-ordination of the implementation of Decentralisation.

One member also expressed his concern about those Ministries that have subdivided the country into regions other than the official 13 regions. My view of this matter is that Decentralisation in Namibia is to have characteristics typical to Namibian conditions. It is known that Namibia's civil service is bloated, as well as the fact that the Ministries of Education and Health are big, and thus require big personnel establishments. Should one put up directorates of these Ministries in all 13 regions, the public service will become even larger, and that does not auger very well with the national budget.

In any case, all these Ministries are represented in all 13 regions, either by a regional medical officer, or a regional education officer. These people are the ones who will belong to the Regional Development Committees. (RDCs)

Hon Biwa further wondered why the Regional Development Committee will be chaired by the regional officer, as opposed to the regional governor. The thing is, the committee is a technical body, which will represent the planning proposals and processes for a particular region. Their findings will always be submitted to the regional council, a body chaired by the regional governor. Clearly, the role of the

regional governor is recognized, as nothing can be submitted for final decision or funding, without the regional council's approval.

Some Hon Members also expressed the fear that Decentralisation will lead to an oversized civil service. My own view on this is that about 80 % of the civil service personnel are currently working in the regions. The same is true of the personnel budget, of which 80 % is paid to those working and staying in the regions. All that needs to be done is to create a Regional Service Commission, made up of civil servants and some people with good standing in the community. Such exercise will then make the central Public Service very small. Also this 80 % of the money paid to civil servants currently, could be seen as revenue sharing with the regions. Central Government in so doing, can therefore easily declare the percentage of monies spent in the regions as money belonging to the regions.

Judging from the above, the question of cutting up the cake between Central Government and regional councils is in favour of regions. I can say there is not much spent by central Government on an entity called "central". All that is spent on "central" can be calculated as money spent on people working in Government buildings and institutions in Windhoek, including members of Parliament. The same related matters as mentioned above, that are already in the regions, could easily be transferred to the regions, and become regional properties. In my view, there is nothing wrong with transferring schools, hospitals, clinics and public buildings, and all other related issues in the regions as regional properties.

One Hon member also asked where funds for Decentralisation will come from. I have already proposed to Cabinet to create the Trust Fund for Regional Development and Equity Provisions that will make resources available to the regions, which will be distributed in accordance with the level of development in those regions.

That means that resources of the country must be used to develop the country equally, no matter where the resources originate from within the country.

Therefore, what is important for the country, is equity in development. The regions themselves will contribute as proposed by themselves at a meeting in Swakopmund as follows:

- a) Community water management
- b) Livestock levies
- c) Informal settlement license levies

- d) User charges
- e) Grazing fees
- f) Property tax: commercial farms and other land users, in accordance with the Land Policy tabled in this House a while ago.
- g) Royalties from natural resources and PTO's
- h) Forest product levies
- i) Levies from compounded animals - settlements areas
- j) Turnover tax on business
- k) Toll tax
- l) Payroll tax
- m) Dog tax
- n) Abattoir fees
- o) Small mines license levies

This would increase the Gross Domestic Product (GDP) and the national tax base, which is a good thing in this sense.

Another Hon Member wanted to know whether regional councillors will have permanent basis' to operate from. I can inform the Hon Member that according to the SWAPO Congress in May 1997, Resolution No 13, it directs Government to continue and speed up the process of Decentralisation in order to devolve authority to the regions. It was also resolved that in order to achieve this, the improvement of regional administrative structures, capacity building, and the construction of Regional Council offices in all constituencies, should be provided for in order to make it easier for people in constituencies to contact their regional councillors, thus bringing Government closer to the people.

Other Hon Members also expressed concern about the fact that the implementation of Decentralisation is very slow and the absence of an action plan, makes it difficult to determine when things will actually start to happen. I sympathize with the Hon Members, but the policy on Decentralisation states that, "... depending on why the system wishes to

He further questions the meaning of national ideas and values attached to the policy document. The national ideas and values are those embodied in our constitution, namely that Namibia is a "sovereign, secular, democratic and unitary State, founded upon the principles of democracy, the rule of law and justice for all". In that democracy, freedom of opinion by individuals is guaranteed. He also made an important reference, namely that "the only guarantor for democracy is

people making their political, cultural, social and development decisions have to be made in the context of the overall national ideas and values, as stated above.

It is true that devolution involves Central Government, by legislation or constitutional requirement, giving full responsibility and public accountability of certain functions to the sub-national levels. Those models are today found in various mixes e.g. deconcentration, delegation and devolution. The Hon Member is worried that devolution may not occur during our life time. To me, that is not very important. What is important is that a process is established, that the system is working steadily towards the satisfaction of the people, and that it will lead ultimately to the devolution of powers to the local levels. How long that journey will take, is not what counts, but how effectively and precisely those goals are carried out.

I want to agree with the Hon Member when he states under point 14 of his contribution, that we should rather make a good job of the policy than rush it.

Hon Esau stated that people at local and regional levels are crying for development, which will address poverty alleviation, job creation and greater equality. He further wanted to know whether this policy will contribute to the achievement of our broad political objectives, whether the policy will increase our administrative effectiveness and whether the policy will contribute to the greater self-determination and self-reliance at local and regional levels.

In as far as development is concerned, I have already stated that there is to be created a Trust Fund for Regional Development and Equity Provisions which is meant for development purposes.

Regarding self - determination and effectiveness, the policy states that people will be more responsive when they see the services that are introduced with their money, thus increasing their level of commitment in participating in such development.

The Hon Member should also realize that the aim of Decentralisation is to bring political, and administrative control over services to the point where they are actually delivered, thereby improving accountability and effectiveness, and promoting people's feeling of ownership of programmes and projects extended in their regions and local areas.

Hon Nahas Angula, Jesaya Nyamu and John Mutorwa made positive contributions and advised us what the policy is all about, namely that the programme envisaged, will be in tandem with what is needed by the Namibian people at this point in time.

I want to thank them for their contributions, and promise that the Ministry of Regional, Local Government and Housing in its coordinating mandate for the implementation of the Decentralisation policy and programmes, will be careful not to over - burden the people with impossible and impractical measures. Their state of readiness and concurrence will always be sought.

THE WAY FORWARD

Many people spoke about the magic of 1 April 1998. Actually that is intended to be the official launching date of the implementation of the Decentralisation process. However, the following needs to happen first:

- a) Have the policy endorsed by the National Assembly
- b) Complete and publish the action plan
- c) Prepare project programmes for the Regional Development Plan 1, under the Trust Fund for Regional Development and Equity Provisions.
- d) Prepare a donor conference locally, to appeal for financial resources to fund Decentralised programmes.

All this needs to be done before Decentralisation can be implemented.

In conclusion I'd like to state that this Decentralisation policy document I agree, is a long awaited national document. It comes as good news, to the Namibian political scene.

I now commit the document on Decentralisation, Democracy and Development: a Decentralisation Policy for the Republic of Namibia to the Honourable House for its adoption.

Mr Speaker, I thank you.